

§. 10b. AFFORDABILITY STUDY

This is an interim report of the affordability study set out by the legislature in statute in the 2005-2006 session. The statute reads as follows:

§. 10b. AFFORDABILITY STUDY

The department of public service in conjunction with the department for children and families and the department of disabilities, aging and independent living shall investigate and prepare a comprehensive report on all statewide public and private programs that address poverty. The report shall compare overall assistance provided in Vermont with the assistance provided to low income families in other states in the Northeast and the rest of the country. The report shall be presented to the senate committees on finance and economic development, housing, and general affairs and the house committees on commerce and human services on or before January 15, 2007.

The Department of Public Service (DPS) met with the Department for Children and Families (DCF) and the Department of Disabilities, Aging and Independent Living (DAIL) through out the summer in an effort to gather the information required by the section 10b. study. Given the enormity of the possible universe of information the group opted to select indices that could be compared across states and represented substantial income support to low income Vermonters. In the context of these numbers national averages were less illuminating and not included on the data sheets. An excerpt from a Nation Center for Children in Poverty (NCCP) report shows how national numbers fail to give an accurate state by state picture.

“ Nationwide, 28 percent of children in low-income families use food stamps, but this rate varies from a low of 13 percent in Nevada to a high of 40 percent in West Virginia. TANF receipt among children in low-income families varies between 3 percent in Idaho to 25 percent in Rhode Island. A low 27 percent of children in low-income families receive public health insurance in Colorado and Nevada while more than twice as many (64 percent) receive it in Vermont.”¹

To give the income support information some context two numbers were used: State rank in income inequality and percentage of families officially classified as poor. These numbers are from the 50 State Data Wizard, National Center for Children in Poverty (NCCP), of Columbia University in the City of New York., copyright 2006. Both these numbers were given for Vermont, Maine, New Hampshire, Massachusetts and Rhode Island, the states used for comparison basis throughout the study.

¹ NCCP Fact sheet, **Receipt of Government Supports Varies Widely by State**, Sept. 2004, prepared by Heather Koball and Ayana Douglas-Hall of NCCP based on the U.S Current Population Survey (CPS), Annual Social and Economic Supplement for March 2001-2003; final figures represent the average data over calendar years 2000, 2001, and 2002. Rates of receipt of public benefits derived from CPS data are not comparable to those derived from administrative data sources (e.g., the figures reported in NCCP's 50-State Policy Database).

The common indices selected were health insurance coverage, wages, earned income tax credit, unemployment benefits, social security income (SSI) benefits, Temporary Assistance for Needy Families (TANF) benefits, the Women, Infant and Children program (WIC) and Food Stamps. Quantifying the cash value of health insurance depends on too many variables to effectively compare across regions so the eligibility guidelines were used instead. The higher the eligibility guidelines, i.e. 200% of the federal poverty level vs 125% of the federal poverty level, the higher the number of people served.

The legislation references private programs that address poverty and finding data regarding private programs proved very difficult. Private foundations tend to use money for specific program grants focused on particular interest areas (i.e. street worker programs for troubled youth) which may or may not have income guidelines, or for advocacy programs that don't directly provide financial assistance. More difficult yet was any kind of comparison between states. Out of a long laundry list of private organizations 3 could actually provide some break out by state: the Salvation Army, Catholic Charities and America's Second Harvest. Other national organization such as the American Red Cross had data but not relevant to low income programs. United Way could also break out spending by state but did not break out supported programs by income eligibility or those targeted to the low income population.

PUBLIC ASSISTANCE	Vermont	Maine	New Hampshire	Massachusetts	Rhode island
State rank in income inequality (50 is most unequal)	15	22	14	40	25
Percentage of families classified as officially poor	12%	18%	7%	11%	16%
Health Insurance					
Single parent, 2 kids Applicant earnings limit- insurance for parents	192% FPL	157%FPL	58%FPL	133%FPL	192%FPL
Single parent two children Income eligibility- insurance for children	225%FPL	150%FPL	185%FPL	150%FPL	250%FPL
Single parent, 2 kids SCHIP- State Children's Health Insurance Program	300%FPL	200%FPL	300%FPL	200%FPL	No Separate SCHIP
Wages					
Min. wage Standards above the federal \$5.15	\$7.25	\$6.50	No	\$6.75	\$6.75

PUBLIC ASSISTANCE	Vermont	Maine	New Hampshire	Massachusetts	Rhode island
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Benefits for Under and Unemployed

Weekly benefit	\$42/week 26 wks	\$52/week 14-26 wks	\$32/week 26 wks	\$29/week 10-30 wks	\$62/week 8-26 wks
Additional dependent allowance	No	Yes	No	Yes	Yes
Weekly benefit indexed to avg weekly wage	Yes	Yes	No	Yes	Yes
TANF					
Monthly Max benefit for family of 3	\$639.00	\$485.00	\$625.00	\$618.00	\$554.00
Annual Max benefit for family of 3	\$7,668.00	\$5,820.00	\$7,500.00	\$7,416.00	\$6,648.00
Earned Income Disregard for benefit calculation	\$150/month and 25% or remainder	\$108/month and 50% of remainder	50%	\$120/month and 50% of remainder	\$170/month and 50% of remainder
Food Stamps and WIC					
Avg Mos Food Stamp/person	\$82.93	\$88.40	\$80.56	\$82.18	\$86.00
Avg Mos Food Stamp/hh	\$167.74	\$172.92	\$167.24	\$171.77	\$188.28
Avg Mos. WIC	\$40.87	\$27.69	\$30.75	\$34.52	\$36.11
State EITC					
Refundable	Yes	No	No state credit	Yes	No
Percent of Federal EITC	32%	5%	No state credit	15%	25%
Max benefit- 1 qualifying child	\$852/year	\$133/year	No state credit	\$399/year	\$666/year
Max benefit- 2 qualifying children	\$1,408/year	\$220/year	No state credit	\$660/year	\$1,100/year

PUBLIC ASSISTANCE	Vermont	Maine	New Hampshire	Massachusetts	Rhode island
SSI					
Aged Recipients- Federal Avg	\$198.00	\$165.00	\$251.00	\$370.00	\$313.00
# Aged Recipients	1,219	2,589	903	44,272	4,015
Disabled & Blind Recipients- Federal Avg	\$407.00	\$381.00	\$386.00	\$462.00	\$448.00
# Disabled & Blind Recipients	11,696	29,052	12,126	124,933	25,688
Overall Federal Avg.	\$387.00	\$364.00	\$377.00	\$438.00	\$430.00

Income, Health Insurance,Wages, Unemployment , TANF and EITC data from National Center for Children in Poverty, 2005

Food Stamp and WIC data from America's Second Harvest - The Almanac of Hunger and Poverty in America 2006

SSI data from www.socialsecurity.gov/policy - 2004

PRIVATE ASSISTANCE	Vermont	Maine	New Hampshire	Massachusetts	
Catholic Charities*					
Permanent Housing Assistance	0	0	104	42	
Perscription Assistance	2	0	0	115	
Clothing Assistance	0	62	300	13,084	
Financial Assistance	0	0	425	0	
Utilities Assistance	0	0	0	2333	
Other Basic Needs Assistance	409	0	3025	38913	

* Number of people served

Information provided by S. Boycheitz, National Catholic Charities, year end 2005

	Vermont	Maine	New Hampshire	Massachusetts	Rhode Island
America's Second Harvest					
Number of Network Members	1	1	1	3	1
Total Pounds of Food FY 2005	5,232,937	10,522,494	3,043,682	31,003,262	9,095,188
# of Agencies Served	280	538	315	1335	368
% of Free and Reduced Price School Lunch	41.20%	46.90%	27.20%	40.70%	57.80%
% of Free and Reduced Price School Brkfst	53.50%	42%	53%	43.70%	82%

Information provided by America's Second Harvest - The Almanac of Hunger and Poverty in America 2006

	Vermont	Maine	New Hampshire		
Salvation Army					
Meals Served	41,392	150,208	69,624		
Lodging Supplied	92	7,056	285		
Welfare Orders - Cash grants	4,382	23,477	9,539		
Tangible Item Distribution	17,763	119,438	72,668		

Information provided by M. Bennett, statitician, The Salvation Army's Northern New England Division for year end 2005